

## 2006-2007 PERFORMANCE PLAN – CHIEF EXECUTIVE OFFICER

### *Qualitative Performance Measures*

Weight	Factor	Performance Measure	Incentive Schedule
40%	Annual Plan Priorities	<p>By June 30, 2007, complete the following strategies to provide industry leadership and attain objectives as identified in Annual Plan Projects under the following major categories:</p> <p><u>Customer Service</u></p> <p>Implement the Customer Service Experience (CSE) enterprise strategy and methodology to include: Governance, Communication, Marketing, MyCalPERS Member Account profile.</p> <p><u>Enterprise Compliance</u></p> <p>Perform compliance risk assessment of policies, rules, and regulations identified in FY 04/05, using an enterprise template* to determine compliance exposures and impact to CalPERS for non compliance.</p> <p>Note: By the end of the second quarter, the Offices of Enterprise Compliance and Audit Services will create a template, develop criteria, and provide training on compliance risk assessment.</p> <p><u>Industry Leadership</u></p> <p>Develop a strategy and approach for promoting CalPERS positions on Universal Healthcare Access and other priority issues developed by the Board at its July offsite.</p> <p><u>Health Priorities</u></p> <p>Provide direction to Health staff to ensure the successful completion of the Medical Administrator RFP. This RFP is intended to secure a vendor platform that provides (1) third party administration of the PPO programs, (2) increased transparency, (3) significant increases in performance guarantees, (4) and most importantly, provides flexibility for implementation of future initiatives and alternative administration models including the single administrator approach.</p> <p>Develop a staffing and resource plan for the Health Benefits program that takes into consideration the increased expectations and strategic initiatives, both in place and contemplated for the future. This plan will be developed using the combined efforts of CalPERS Human Resources staff and the services of benefit consultants, to be selected.</p> <p>Develop program design changes and cost mitigation strategies for the 2008 health rate renewals. These proposals will also include the completion of issues deferred from the 2007 cycle such as the results of the Regional Councils, High Performance networks such as PPO Select, and consumer incentives.</p>	From Schedule
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20%	Special Projects	<p>Complete special projects identified by the Board, meeting performance objectives established by the Board at the time of assignment. This will include acting on emerging issues in a manner that maximizes the potential benefit and minimizes the risk to CalPERS. Report to the Board on actions taken.</p> <ol style="list-style-type: none"> <li>1. Educational Initiative to Develop Education and Understanding of the Role, Fiduciary Duty and Value Provided by CalPERS to Public and Stakeholders.</li> <li>2. Disaster Recovery</li> </ol>	
10%	Pension System Resumption Project (PSR)	<ol style="list-style-type: none"> <li>1. By June 30, 2007, complete Phases I and II of the PSR project.</li> <li>2. <u>Enterprise Transition Management</u></li> </ol> <p>By February 1, 2007, complete Phase I of the Enterprise Transition Management Project by clearly describing the current state of the business programs directly impacted by the PSR project.</p>	
10%	Workforce/Succession Planning and Management	By June 30, 2007, CalPERS will have in place an effective workforce planning model and leadership skill assessment process for managers and front line supervisors.	
10%	Enterprise Leadership and Management Communication	By June 30, 2007, commence work on 14 Employee Survey Initiatives to address training, workload, and communication.	
10%	Risk Management	By June 30, 2007 implement Enterprise Risk Management Plan.	

Approval: Original signed by \_\_\_\_\_

Date: \_\_\_\_\_